

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

PENSION COMMITTEE

WEDNESDAY, FEBRUARY 20, 2013

AT 2:30 P.M.

IN THE MARY BRENNAN BOARD ROOM

AT T. F. GREEN AIRPORT

2000 POST ROAD, WARWICK, RHODE ISLAND

The meeting of the Rhode Island Airport Corporation (“Corporation”) Pension Committee was called to order by Chair, Kathleen C. Hittner, M.D. at 2:30 p.m., in the Mary Brennan Board Room, T. F. Green Airport, 2000 Post Road, Warwick, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

COMMITTEE MEMBERS PRESENT: Kathleen C. Hittner, M.D, Chair of Committee; Peter A. Frazier, C.M., Interim President and CEO; Jeffrey Wiggins, representing, Local 2873.

ALSO PRESENT: Sherri-Ann Penta, Human Resources Director; and those individuals listed on the attendance sheet attached hereto.

1. Approval of the Minutes:

A motion was made by Mr. Frazier and seconded by Mr. Wiggins to approve the Minutes of the Pension Committee Meeting of February 8,

2012. The motion was passed unanimously.

2. Update by Human Resources Director and Plan Administrator.

Ms. Penta reported an RFP for an Investment Advisor had been issued and 12 submissions were received. Ms. Penta reported that five firms were interviewed and based on reputation and competitive pricing the firm of Hooker & Holcombe was chosen by the Selection Committee.

3. Introduction of New Investment Advisor.

Ms. Penta introduced Mr. Arthur J. Meizner to the Committee. Mr. Meizner stated the firm of Hooker & Holcomb is a retirement and pension consulting firm based out of Connecticut with a five person advisory team. In total, three hold CFA Charters, with a fourth member a CFA Candidate. Additionally, Art Meizner holds a Charter as a Chartered Alternative Investment Analyst (CAIA) and is certified as a Certified Financial Planner (CFP®). Two of the team also holds titles as Accredited Investment Fiduciaries (AIF®).

Mr. Meizner stated that he has experience in defined contribution and defined benefit pension funds as well as experience in working with municipalities.

4. Annual Review the Principal 414(h) Plan.

Mr. Meizner led a detailed overview of RIAC's pension plan, including investment option performance results and statistics which were provided in a handout to the Committee. Discussion was centered on performance statistics for specific investment options and recommendations made by RIAC's investment advisors on whether to continue offering those options in RIAC's portfolio.

There was specific discussion on the number of Large Growth mutual funds, the performance of the Small Blend mutual fund and impact of paying the Investment Advisor's fees outside of the plan. The specific advice on each of these subject matters was adopted by the Committee and is set forth below in Section 5. The Committee agreed that it would consider recommendations to add an Emerging Market fund, an additional Large Value fund, and an additional Intermediate-Term Bond fund to the Plan's investment options at its next meeting.

Mr. Walter provided an update on the issues related to Principal. There was discussion of RIAC's employee education and communication plan for 2013. Ms. Penta noted that the Corporation would be holding a Benefits Fair for employees in May 2013.

The Committee agreed that it would consider recommendations to add an Emerging Market fund, an additional Large Value fund, and an additional Bond fund to the Plan's investment options at its next meeting.

5. Action Items:

Based on the advice of the Investment Advisor, a motion was made by Mr. Frazier and seconded by Mr. Wiggin to pay the Investment Advisor's fee directly by RIAC, and not from plan proceeds, and to allocate that approximate \$13,397 plan savings to reduce the investment expense on investment options having adjustable investment costs. The motion was passed unanimously. It was agreed that this consent item will be presented to the Board of Directors commencing immediately following the Committee meeting.

Based on the advice of the Investment Advisor, a motion was made by Mr. Frazier and seconded by Mr. Wiggin:

(A) In the Large Growth mutual fund category, (i) to prohibit future investments in the American Century Growth A Load Waived fund and the Putnam Multi-Cap Growth A Load Waived fund, and (ii) to direct any future investments designated for the American Century Growth A Load Waived fund or the Putnam Multi-Cap Growth A Load Waived fund to the Principal Large Cap Growth I R4 fund.

(B) In the Small Blend mutual fund category, (i) to remove the Fidelity Advisor Small Cap T as an investment option and add Principal SmallCap S&P 600 Index R4 in its place; (ii) to move all monies invested in the Fidelity Advisor Small Cap T to Principal SmallCap

S&P 600 Index R4; and (iii) to direct all future small blend investments to Principal SmallCap S&P 600 Index R4.

The motion was passed unanimously. It was agreed that this consent item will be presented at the March 20, 2013, Board of Directors meeting.

6. Future Meetings:

The next meeting will be announced.

7. Adjournment:

At approximately 3:40 p.m. a motion was made by Mr. Wiggin and seconded by Mr. Frazier to adjourn the meeting. The motion was passed unanimously.

Respectfully submitted,

**Kathleen C. Hittner, M.D, Chair Rhode Island Airport Corporation
Pension Committee**

ATTENDANCE SHEET

RHODE ISLAND AIRPORT CORPORATION

PENSION COMMITTEE MEETING

WEDNESDAY, FEBRUARY 20, 2013

NAME	AFFILIATION
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Arthur J. Meizner	Hooker & Holcomb
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Robert Walter	Principal
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